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## **Senate passes bills providing tax relief and stimulating the economy and job growth**

Also votes to establish college scholarship program

**LANSING**—The state Senate today passed the Earned Income Tax Credit, a state tax credit equal to 20 percent of the federal EITC. Sen. Gerald Van Woerkom hailed the measure as a victory for low-income families and Michigan's economy.

"I am delighted we can provide tax relief for working families who are struggling to make ends meet," said Van Woerkom, R-Norton Shores. "This measure, along with raising the minimum wage, will help ensure that Michigan workers can provide for their families."

The credit would be available for tax years beginning after Dec. 31, 2007. It would start at 10 percent in 2008 and increase to 20 percent in 2009.

The EITC is a tax cut for low-income families, who will help fuel the state economy by using their refund to buy goods and services they've been struggling to afford. A family of four filing jointly with an earned income of \$18,900 will receive a check from the state for \$597, on top of their federal credit for \$3,860.

The Senate also passed legislation updating the Merit Award scholarship program that would provide up to \$4,000 for students who complete two years of post-secondary education while maintaining a 2.5 GPA.

In addition, legislators voted to give a minimum-wage bill immediate effect, encouraging job creation and helping ensure that hundreds of Michigan businesses will not be forced to let their workers go or to cut their workers' pay. And they voted to establish a youth minimum wage equal to 85 percent of the current minimum hourly wage, a measure designed to expand entry level jobs for young workers.

"Everywhere I go, I get asked about jobs. Today, we voted to expand job creation and employment opportunities across the state, and we've opened up opportunities for students to succeed in the new economy," said Van Woerkom.

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